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ADMINISTRATIVE ORGANIZATION OF THE
MINISTRY OF FERROUS METALLURGY USSR

[Charts referred to are appended.]

The council of Ministers USSR directs the operation of the industrial ministries of the USSR. The plans worked out by each ministry are submitted to the State Planning Committee (Gosplan) within the Council of Ministers. The State Planning Committee coordinates the development of the individual branches of industry, establishes the rate of their development, and submits to the Council of Ministers for its approval the plans of the individual ministries after they have been coordinated with the over-all plan for the entire country.

Each ministry is headed by a minister who is a member of the Council of Ministers and is responsible for the development of his branch of industry and for the achievement of its production and development plans. The minister has great administrative power. He issues orders and instructions, sees that they are carried out, and appoints administrative officers for the main administrations, trusts, and enterprises. The collegium of the ministry, composed of from six to 12 persons chosen from among the deputy ministers and outstanding persons within the industry by the Council of Ministers, was created to assist the minister. The collegium discusses the production plan, means of meeting the plan, results of the operation of the ministerial agencies, etc. The final decision rests with the minister; however, if a member of the collegium does not agree with the minister's decision, he has the right to submit his view directly to the Council of Ministers. The ministry also includes a scientific and technical council which studies the adaptability of new technical discoveries and issues opinions on these innovations. The council also gives scientific opinions on plans submitted for approval by the main administrations of the ministry.

The administrative organization of the Ministry of Ferrous Metallurgy USSR is given in Chart 1. As is shown, the ministry is composed of a number of area production organizations (main production administrations), including plants, and a number of administrative management organizations (chiefly main administrations and administrative departments).

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The main production administrations are the chief production organizations in the ministry's setup. Each main production administration directs one special branch of metallurgical production throughout the USSR or the entire production of a given area. Each main administration is an autonomous organization, basing its operations on the interplant settlement of accounts. The auxiliary organizations of the ministry serve the needs of the main production administrations.

The administrative departments of the ministry handle problems submitted for the minister's decision. These departments are grouped under one deputy minister, of which there are usually three to six.

The area production organizations include:

- A. Trusts directly subordinate to the minister, including
 1. Leschermet, a trust of charcoal metallurgy plants.
 2. Energochermet, a trust of metallurgical power plants.
 3. Donbassvodtrest, a trust handling water transport in the Donbass.
- B. Main production administrations, including
 1. Glavnoye Upravleniye Metallurgicheskoy Promyshlennosti Yuga i Tsentra, Main Administration of the Metallurgical Industry of the South and Center.
 2. Glavspetsstal', Main Administration of Special Steels
 3. Glavtrubostal', Main Administration of Steel Pipe Industry
 4. Glavuralmet, Main Administration of Ural Plants
 5. Glavferrosplav, Main Administration of Ferroalloy Industry
 6. Glavmetiz, Main Administration of Metal Products Industry
 7. Glavmashchermet, Main Administration of Metallurgical Machinery (i.e., those machines which are not produced by the Ministry of Heavy-Machine Building for Metallurgy and Mining)
 8. Glavogneupor, Main Administration of Refractories Industry
 9. Glavruda, Main Administration of Iron Ore Mines, including the following subordinate trusts:
 - a. Uralruda
 - b. Krivbassruda
 - c. Chiaturmarganets
 - d. Nikopol'-Marganets
 - e. Soyuzplavik (flux mines)
 10. Glavkoks, Main Administration of the Coke Industry.
 11. Glavleschermet, main administration to which the following timber associations are subordinate:

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- a. Alapayevsklesdrevmet
- b. Serovlesdrevmet
- c. Chusovlesdrevmet
- d. Chusovlesdrevmet [sic; Chart 1 gives Sverdlesdrevmet]
- e. Chelyablesdrevmet
- f. Drevmet

These associations have forest exploitation centers and sawmills; the prefix in each case indicates the area in which most of the work is centered.

12. Glavnerud, Main Administration of Nonferrous Ore Mines

13. Production. This is the largest main administration; it directs the following nine metallurgical plants which are directly subordinate to the ministry: Magnitogorsk, plant in Nizhniy Tagil, Kuznetsk Plant, "Amurstal" Plant, Transbaykal Plant [Petrovsko-Zabaykal'skiy], Orsk-Khalilovo Plant, Uzbek Plant, Kazakh Plant.

The group of administrative and management organizations include the following main administrations (Glavki): labor and wages, industrial supply (Glavsnab), workers' supply (Glavvurs), plant installations, power, chief mechanic, transportation (Glavtranspr), training, geological prospecting, capital construction (GUKS), marketing (Glavmetallostyt), and procurement and processing of scrap metal.

The following administrative departments in the Ministry of Ferrous Metallurgy should be mentioned: planning, finance, chief accounting, technology, personnel, forests, housing, consumers' goods, legal, liaison, foreign, police mine inspection, arbitration, main archives, main office, and publications.

The main administrations are divided into departments corresponding to departments in the ministry but with fewer personnel.

The organization of a typical USSR plant is outlined in Chart 2. The Yenkaiyev, Makeyevka, and Zlatoust plants are organized according to this plan.

The director of the plant alone has full authority. He controls all the material and financial resources of the plant and directs the development of production and financial plans and investments. The director chooses his chief associates, outlines their functions, supervises the work, and enforces work discipline. All workers of the plant are subject to the director's orders, which cannot be appealed. The director is responsible for the fulfillment of the state plan both as to quality and quantity, for the proper use of material and financial resources, and for correct work organization. He must encourage the workers' initiative and create the conditions necessary for the advancement of work competition.

The chief engineer is the director's first assistant. His task is the technical preparation for production. He is responsible for organizing production and for coordinating all branches of production within the plant. He directs the preparation of production schedules, determines the technological production processes, works out plans for technical improvements, etc.

The heads of the chief divisions of the plant work out the production and financial plans for their division. They are responsible for securing a sufficient supply of raw materials and other production needs for their division and

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for maintaining adequate reserves within the established norms. These division heads also organize the work on the level necessary to meet or even exceed the qualitative and quantitative production plans. The division head's assistant is the chief engineer of the division.

The production chief is the direct organizer of production in his branch. The workers receive their orders only through him. The production chief has extensive authority and is able to impose punishment for violation of work discipline and to hire or release workers in his section with the knowledge of the head of the division. He also determines a worker's wage category and controls the bonus fund established for outstanding work.

Attached to each of the administrative units mentioned above (director, chief engineer, heads of divisions and branches), there is a group of auxiliary officials who carry out various important functions.

The planning department, a very important unit of the auxiliary group, is under the direct supervision of the plant director. This department works out the current and long-term plans for the entire enterprise and its divisions. It accepts orders and determines production schedules and costs. It also has charge of maintaining statistics and making economic analyses of operations. The department indicates the causes for the lags in meeting plans, makes recommendations for improvement, and sees that established schedules are carried out.

The planning of production operations is handled by the planning sections in the production departments and in the division of the chief mechanic. The planning sections determine the work load of the plant installations and the schedules for completing orders. These sections also plan the amount of raw materials and semimanufactures required for completion of production on schedule.

In addition to the planning department, the departments shown in Chart 2 are subordinate to the director. The Personnel Department handles the paper work involved in the employment, transfers and release of workers, all of which is usually arranged by the production chief of a branch. Large-scale recruitment of workers on the outside is usually handled by the Personnel Department. The investment departments of those plants at which large construction projects are underway are subordinate to the plant directors.

The plant's chief engineer has his own auxiliary offices, including the chief mechanic's division, chief electrician's division, technical division, division of industrial safety, etc.

In every division of the plant there are auxiliary offices or bureaus organized on the same principle as that of the chief engineer. They do not, however, have all the branches which exist in the chief engineer's auxiliary bureau, but only those branches necessary to the division. The personnel of these bureaus is also smaller than that of the chief engineer. The head of a large division has a planning and dispatching bureau supervised by his assistant, a technical bureau under his second assistant, bureau of the chief mechanic's division, bureau of the economic manager, and accounting bureau. In smaller divisions, the auxiliary bureau consists of a planning expert, technologist, repair foreman, and an accountant. Heads of branches have instructors, liaison officers, and dispatchers (dyepozytor) assigned to assist them.

[Appended charts follow.]

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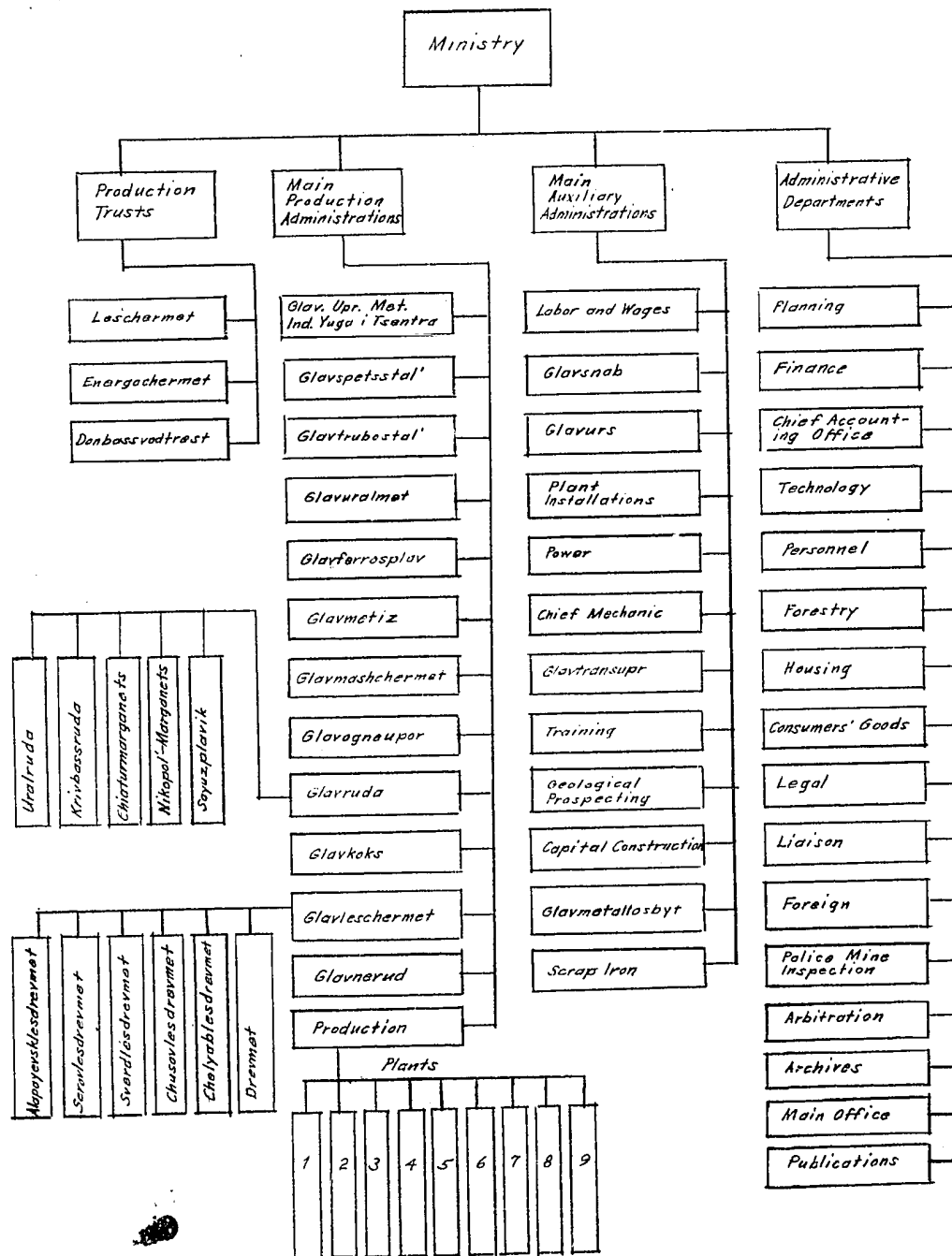
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Chart 1. Administrative Organization of the
Ministry of Ferrous Metallurgy USSR



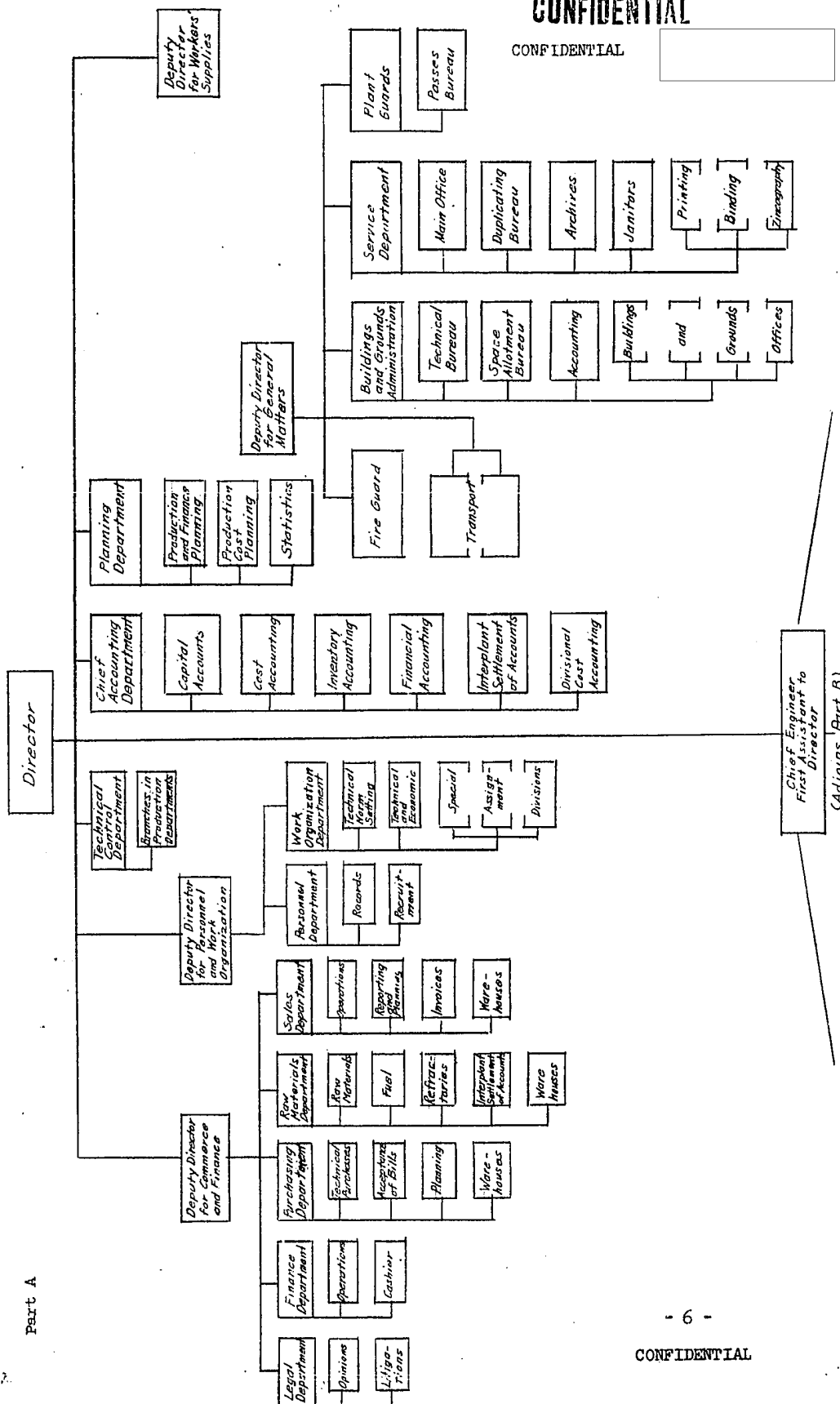
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Chart 2. Organization of a Typical USSR Metallurgical Plant

Part A

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Chief Engineer,
Assistant to
First Director
(Adjoins Part B)

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